Amendments to the Claims:

This listing of claims will replace all prior versions and listings of claims in the application:

1.   (Currently amended) A method for distributing media comprising:

receiving at a <u>first</u> server a request from a first client for a particular media item, ~~said~~ <u>whereby the</u> first client ~~having broad band connectivity~~ <u>is interconnected</u> to other clients;

at the <u>first</u> server, determining a <u>sub-plurality of clients, of the other clients, that each or in the aggregate have</u> ~~second client who has~~ an encrypted copy of the desired media item;

<u>at a second server, evaluating whether the first client satisfies business rules for viewing the desired media item;</u>

<u>at the first server, signaling to a third server that the business rules have been satisfied, wherein the third server contains media passes and decryption keys;</u>

<u>at the third server, providing a media pass to the first client;</u>

~~in response to the request~~ <u>at the first server</u>, transferring the encrypted copy of the desired media item from the <u>sub-plurality of clients</u> ~~second client~~ to the first client;

<u>at the first client, returning the media pass to the third server;</u>

<u>at the third server, once receiving the media pass from the first client, providing a decryption key to the first client for decrypting and viewing the desired media item.</u>

~~after the encrypted copy has been transferred to the first client, indicating at the first client that the desired media item is now available;~~

~~in response to receiving payment authorization from the first client, granting from a media pass server a media pass to the first client, wherein the media pass contains business rules for viewing the desired media item;~~

~~providing a decryption key to the first client for decrypting the desired media item, wherein the decryption key is provided based on a satisfactory evaluation of the business rules in the media pass.~~

2.   (Original) The method of claim 1, wherein said media includes various file types.

3.   (Original) The method of claim 1, wherein said media includes selected ones of audio
and video files.

4.   (Original) The method of claim 1, further comprising: pre-loading media items at clients
so as to facilitate distribution of media items.

5.   (Original) The method of claim 1, wherein the receiving step includes:
        displaying a catalog of media items available; and
        receiving user input from the first client for selecting one of the media items available
from the catalog.

6.   (Original) The method of claim 5, wherein the catalog comprises an online catalog
accessible via a Web browser.

7.   (Original) The method of claim 5, wherein the catalog comprises an online catalog that
may be displayed on a television device connected to a set-top box with broadband connectivity.

8.   (Original) The method of claim 5, wherein the catalog is downloaded to a set-top box
with broad band connectivity for display at a television device connected to the set-top box.

9.   (Currently amended) The method of claim 1, wherein ~~the clients are interconnected via a
broadband network~~ said broadband connectivity includes peer-to-peer connectivity between
clients.

10.   (Currently amended) The method of claim 9, wherein the ~~clients are interconnected via
peer-to-peer connectivity includes~~ a peer-to-peer network operating on the Internet.

11.   (Original) The method of claim 1, wherein the first client includes a local device capable

of decrypting encrypted media items and displaying them on a television device.

12.   (Original) The method of claim 11, wherein the local device includes a set-top box

having a hard disk for storing the requested media item that is transferred to the first client.

13.   (Original) The method of claim 12, wherein the requested media item is stored on the

hard disk only in encrypted form.

14.   (Original) The method of claim 1, wherein said transferring step includes transferring the

encrypted copy to a storage device connected to a set-top box capable of decrypting encrypted

media items and rendering them on a television device at the first client.

15.   (Original) The method of claim 1, wherein the first client includes a network that allows a

set-top box at the first client to share broadband connectivity.

16.   (Original) The method of claim 1, further comprising: transferring an encrypted copy of

the desired media item from a media server, if a copy of the requested media item is not

available from other clients.

17.   (Original) The method of claim 1, further comprising: allowing the first client to use the

requested media item for a limited period of time, after receipt of the payment authorization.

18.   (Currently amended) The method of claim 1, further comprising:

        receiving at the first server a request from a second third client for the particular media

item; and

        transferring the encrypted copy of the desired media item from the first client to the

second third client.

19.   (Original) The method of claim 1, wherein the transferring step includes: scheduling transfer of the encrypted copy of the desired media item to occur at a particular time.

20.   (Currently amended) The method of claim 1, wherein the <u>second</u> server includes a customer management subsystem for tracking and managing customers.

21.   (Currently amended) The method of claim 1, wherein the <u>first</u> server is in communication with at least one repository of digital media, so that the <u>first</u> server may direct transfer of the requested media item from said at least one repository as needed.

22.   (Original) The method of claim 21, wherein said at least one repository comprises a plurality of servers, with each server storing a subset of the available digital media, such that a subset of the plurality of servers has at least one copy of each media item.

23.   (Original) The method of claim 1, wherein the receiving step includes: receiving at a server a list establishing the first client's priorities for receiving desired media items.

24.   (Original) The method of claim 23, wherein higher priority items on the list are transferred before any lower priority items.

25.   (Original) The method of claim 1, wherein the transferring step includes: scheduling transfer of multiple media items to the first client from multiple other clients.

26.   (Original) The method of claim 1, wherein the transferring step includes: scheduling transfer of portions of a media item to the first client from multiple other clients.

27.   (Original) A computer-readable medium having processor executable instructions for performing the method of claim 1.

28.   (Original) A downloadable set of processor-executable instructions for performing the
method of claim 1.

29.   (Currently amended) A distributed media distribution system comprising:

        a plurality of clients having peer-to-peer connectivity to one another;

        ~~at least one~~ a first server for processing a request from a first client for a particular media
item, for determining a sub-plurality of clients that each or in the aggregate have ~~second client
who has~~ an encrypted copy of the desired media item ~~at the server~~, for arranging transfer of the
encrypted copy of the desired media item from the sub-plurality of clients ~~second client~~ to the
first client;

        a second server for evaluating business rules for viewing desired media items;

        a ~~media pass~~ third server for granting a media pass to the first client allowing access to
the desired media item and a decryption key, and for providing ~~a~~ the decryption key to the first
client based on the return of the media pass ~~submitted~~ by the first client, wherein the media pass
~~contains business rules for viewing the desired media item, and the decryption key~~ is provided
based on a satisfactory evaluation of the business rules ~~in the media pass~~;

        a client rendering device for decrypting the desired media item for use by an authorized
user at the first client.

30.   (Original) The system of claim 29, wherein said media includes various file types.

31.   (Original) The system of claim 29, wherein said media includes selected ones of audio
and video files.

32.   (Original) The system of claim 29, further comprising a Web server for displaying a
catalog of media items available, and for receiving user input from the first client for selecting
one of the media items available from the catalog.

33.   (Original) The system of claim 32, wherein the catalog comprises an online catalog
accessible via a Web browser.

34.   (Original) The system of claim 29, further comprising a catalog that may be displayed on
a television device connected to a set-top box with broad band connectivity.

35.   (Original) The system of claim 34, wherein the catalog is downloaded to the set-top box
for display on the television device connected to the set-top box.

36.   (Original) The system of claim 29, wherein said peer-to-peer connectivity comprises a
peer-to-peer network operating on the Internet.

37.   (Original) The system of claim 36, wherein each client connects to the peer-to-peer
network via a broadband connection.

38.   (Original) The system of claim 29, wherein the client rendering device is capable of
decrypting encrypted media items and displaying them on a television device.

39.   (Original) The system of claim 38, wherein the client rendering device includes a set-top
box having a hard disk for storing the requested media item that is transferred to the first client.

40.   (Original) The system of claim 39, wherein the requested media item is stored on the hard
disk only in encrypted form.

41.   (Original) The system of claim 39, wherein the set top box stores pre-loaded media items
so as to facilitate distribution of media items.

42.   (Original) The system of claim 29, wherein the first client includes a network that shares
broad band connectivity with the client rendering device.

43.   (Original) The system of claim 29, further comprising: a media server capable of
transferring an encrypted copy of the desired media item to clients, if a copy is not already
available from other clients.

44.   (Original) The system of claim 29, wherein the first client is allowed to use the requested
media item for a limited period of time.

45.   (Currently Amended) The system of claim 29, wherein in response to the server receiving
a request from a second ~~third~~ client for the particular media item, the server arranges for transfer
of the encrypted copy of the desired media item from the first client to the second ~~third~~ client.

46.   (Currently amended) The system of claim 29, wherein the first server arranges for the
transfer by scheduling the transfer of the encrypted copy to occur at a particular time.

47.   (Currently amended) The system of claim 29, wherein the second server includes a
customer management subsystem for tracking and managing customers.

48.   (Currently amended) The system of claim 29, wherein the first server is in
communication with a repository of digital media, so that the server may direct transfer of the
requested media item from the repository as needed.

49.   (Currently amended) The system of claim 29, wherein the first server receives a
prioritized list establishing the first client's priority for receiving desired media items.

50.   (Currently amended) The system of claim 49, wherein the first server arranges for
transfer of multiple media items to the first client from multiple other clients, pursuant to the
prioritized list.

51.   (Original) The system of claim 49, wherein higher priority items on the prioritized list are transferred before any lower priority items.

52.   (Original) The system of claim 29, wherein the client rendering device includes an interface for indicating that a given desired media item has completed transfer and is available for use.

53.   (Original) The system of claim 52, wherein the interface indicates transfer progress for any items that are currently being transferred.

54.   (Cancelled)

55.   (Cancelled)

56.   (Currently Amended) A method for secure delivery of media content via the Internet, the method comprising:

        providing at a _first_ server a catalog of media items available in encrypted format from a plurality of devices having broadband connectivity to the Internet;

        receiving a priority list from a first device representing a prioritized list of media items requested by the first device from the catalog;

        scheduling delivery to the first device of a particular media item on the priority list from ~~at least one second device having~~ a sub-plurality of devices of the plurality of devices that each or in the aggregate have an encrypted copy of the particular media item;

        receiving from a second server an evaluation as to whether the first device satisfies business rules for viewing the desired media item;

        signaling to a third server that the business rules have been satisfied, wherein the third server contains media passes and decryption keys, wherein the encrypted copy of the particular media item is transferred from the sub-plurality of devices to the first device;

        providing a media pass to the first device;

returning the media pass to the third server;

~~transferring an encrypted copy of the particular media item from said at least one second~~
~~device to the first device;~~

~~in response to a request to purchase the particular media item transferred to the first~~
~~device, granting from a media pass server a media pass to the first device, wherein the media~~
~~pass contains business rules for viewing the particular media item;~~

~~receiving submission of the media pass from the first device;~~

~~upon a satisfactory evaluation of the business rules in the media pass,~~ providing at the
third server a decryption key to the first device ~~based on~~ once the media pass ~~submitted by the~~
~~first device~~ is received, enabling the encrypted copy of the particular media item to be played at
the first device.

57.   (Original) The method of claim 56, wherein said media items include various file types.

58.   (Original) The method of claim 56, wherein said media items include selected ones of
audio and video files.

59.   (Original) The method of claim 56, wherein said plurality of devices having broadband
connectivity includes a plurality of client devices having peer-to-peer connectivity to one
another.

60.   (Original) The method of claim 56, wherein said plurality of devices having broadband
connectivity includes at least one server having encrypted copies of media items for supply to
client devices.

61.   (Original) The method of claim 56, further comprising: pre-loading encrypted copies of
media items at said plurality of devices having broad band connectivity.

62.   (Original) The method of claim 56, wherein said plurality of devices having broadband
connectivity includes a client set-top box having broad band connectivity through a network.

63.   (Original) The method of claim 62, wherein said catalog is displayed on a television
connected to the client set-top box.

64.   (Original) The method of claim 63, wherein said catalog is downloaded from the server
and stored locally on a database at the client set-top box.

65.   (Original) The method of claim 56, wherein said catalog is a catalog available on the
Internet and accessible via a Web browser.

66.   (Original) The method of claim 56, wherein the first device comprises a client set-top box
having a hard disk for storing encrypted media items.

67.   (Original) The method of claim 66, wherein said set-top box includes a user interface for
issuing a request to play an encrypted media item available on the set-top box's hard disk.

68.   (Original) The method of claim 56, wherein said step of scheduling delivery includes
comparing the priority list received from the first device with media items available on the first
device, so as to determine the particular media item to be delivered to the first device.

69.   (Original) The method of claim 56, further comprising: maintaining a database listing
copies of encrypted media items available on each of said plurality of devices.

70.   (Original) The method of claim 69, wherein said step of scheduling delivery includes
determining at least one second device having a copy of said particular media item based upon
consulting the database.

71.   (Original) The method of claim 56, wherein said step of scheduling delivery includes determining that the first device is authorized to receive delivery of the particular media item.

72.   (Currently Amended) The method of claim 56, wherein said step of scheduling delivery includes scheduling delivery of portions of the particular media item from the sub-plurality of a plurality of second devices.

73.   (Currently Amended) The method of claim 72, wherein said step of scheduling delivery includes determining a particular portion of the particular media item to be sent by each of said sub-plurality of second devices.

74.   (Original) The method of claim 56, wherein said step of scheduling delivery includes determining whether to deliver the particular media item from a server repository or from a peer client having a copy of the particular media item.

75.   (Original) The method of claim 56, wherein said step of scheduling delivery includes scheduling delivery from a client set-top box having a copy of the particular media item, so as to conserve server resources.

76.   (Original) The method of claim 56, wherein said step of scheduling delivery includes scheduling a time for delivery of the particular media item to the first device.

77.   (Currently Amended) The method of claim 56, further comprising:

receiving a priority list from a second third device requesting said particular media item; and

transferring the encrypted copy of the particular media item from the first device to the second third device.

78.   (Currently Amended) The method of claim 56, further comprising:

receiving a priority list from a second~~third~~ device requesting said particular media item;
and

transferring a portion of the encrypted copy of the particular media item from the first

device and a portion of the encrypted copy of the particular media item from ~~said~~ at least one of

the sub-plurality of devices ~~second device~~ to the second~~third~~ device.

79.   (Original) The method of claim 56, wherein said step of scheduling delivery includes

scheduling delivery based upon optimizing delivery of media items to a plurality of devices

requesting media items.

80.   (Currently Amended) The method of claim 56, wherein said step of transferring an

encrypted copy of the particular media item includes transferring portions of the particular media

item from [[a]] the sub-plurality of ~~second~~ devices.

81.   (Original) The method of claim 56, wherein said step of providing a decryption key

includes providing a decryption key valid for a limited period of time.

82.   (Original) The method of claim 56, wherein said step of providing a decryption key

includes:

specifying a viewing period comprising a limited period of time during which the first

device may decrypt and playback a media item; and

providing a decryption key to the first device only during the specified viewing period.

83.   (Original) The method of claim 56, wherein said first device comprises a client set-top

box capable of decrypting encrypted media items and rendering them on a connected television

device.

84.   (Original) A computer-readable medium having processor executable instructions for performing the method of claim 56.

85.   (Original) A downloadable set of processor-executable instructions for performing the method of claim 56.

86.   (Currently Amended) A distributed media distribution system comprising:

        a plurality of clients having peer-to-peer connectivity to one another;

        ~~at least one~~ a first server for processing a request from a first client for a particular media item, for determining a sub-plurality of clients, of the plurality of clients, that each or in the aggregate have ~~second client who has~~ a protected copy of the desired media item ~~at the server~~, and for arranging transfer of the protected copy of the desired media item from the ~~second client~~ sub-plurality of clients to the first client;

        a second server for evaluating business rules for viewing desired media items;

        a ~~media pass~~ third server for granting a media pass to the first client allowing access to the desired media item and a decryption key, and for providing ~~a~~ the decryption key to the first client based on the return of the media pass ~~submitted~~ by the first client, wherein the media pass ~~contains business rules for viewing the desired media item, and the decryption key~~ is provided based on a satisfactory evaluation of the business rules ~~in the media pass~~;

        a client rendering device for storing a protected copy of the desired media item at the first client and rendering the desired media item to an authorized user at the first client.

87.   (Original) The system of claim 86, wherein said media includes various file types.

88.   (Original) The system of claim 86, wherein said media includes selected ones of audio and video files.

89.   (Original) The system of claim 86, further comprising a Web server for displaying a catalog of media items available, and for receiving user input from the first client for selecting one of the media items available from the catalog.

90.   (Original) The system of claim 86, further comprising a catalog that may be displayed on a television device connected to a set-top box with broad band connectivity.

91.   (Original) The system of claim 90, wherein the catalog is downloaded to the set-top box for display on the television device connected to the set-top box.

92.   (Original) The system of claim 86, wherein said peer-to-peer connectivity comprises a peer-to-peer network operating on the Internet.

93.   (Original) The system of claim 92, wherein each client connects to the peer-to-peer network via a broadband connection.

94.   (Original) The system of claim 86, wherein the client rendering device is capable of displaying media items on a television device.

95.   (Original) The system of claim 86, wherein the client rendering device includes a set-top box having a hard disk for storing the protected copy of the requested media item that is transferred to the first client.

96.   (Original) The system of claim 95, wherein the protected copy of the requested media item is stored on the hard disk in encrypted form.

97.   (Original) The system of claim 86, wherein the first client includes a network that shares broad band connectivity with the client rendering device.

98.   (Original) The system of claim 86, further comprising: a media server capable of transferring a protected copy of the desired media item to a client, if a protected copy is not available from other clients.

99.   (Original) The system of claim 86, wherein the first client is allowed to use the requested media item for a limited period of time.

100.   (Currently amended) The system of claim 86, wherein in response to the first server receiving a request from a second ~~third~~ client for the particular media item, the first server arranges for transfer of a protected copy of the desired media item from the first client to the second ~~third~~ client.

101.   (Currently amended) The system of claim 86, wherein the first server arranges for the transfer by scheduling the transfer of the protected copy to occur at a particular time.

102.   (Currently amended) The system of claim 86, wherein the second server includes a customer management subsystem for tracking and managing customers.

103.   (Currently amended) The system of claim 86, wherein the first server is in communication with a repository of digital media, so that the server may direct transfer of the requested media item from the repository as needed.

104.   (Currently amended) The system of claim 86, wherein the first server receives a prioritized list establishing the first client's priority for receiving desired media items.

105.   (Currently amended) The system of claim 104, wherein the first server arranges for transfer of multiple media items to the first client from multiple other clients, pursuant to the prioritized list.

106.   (Original) The system of claim 104, wherein higher priority items on the prioritized list are transferred before any lower priority items.

107.   (Original) The system of claim 86, wherein the client rendering device includes an interface for indicating that a given desired media item has completed transfer and is available for use.

108.   (Original) The system of claim 107, wherein the interface indicates transfer progress for any items that are currently being transferred.

109.   (Cancelled)